

97-84029-21

U.S. Congress. Senate.

Joint Commission of
Agricultural Inquiry

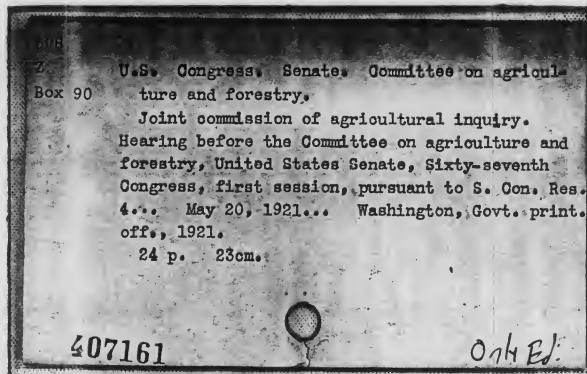
Washington

1921

COLUMBIA UNIVERSITY LIBRARIES
PRESERVATION DIVISION

BIBLIOGRAPHIC MICROFORM TARGET

ORIGINAL MATERIAL AS FILMED - EXISTING BIBLIOGRAPHIC RECORD



RESTRICTIONS ON USE: Reproductions may not be made without permission from Columbia University Libraries.

TECHNICAL MICROFORM DATA

FILM SIZE: 35 mm

REDUCTION RATIO: 11:1

IMAGE PLACEMENT: IA IB IIB

DATE FILMED: 2-27-97

INITIALS: MS

TRACKING #: 12010

FILMED BY PRESERVATION RESOURCES, BETHLEHEM, PA.

573

JOINT COMMISSION OF AGRICULTURAL INQUIRY

308
I
See 90

HEARING

BEFORE THE

COMMITTEE ON AGRICULTURE AND FORESTRY
UNITED STATES SENATE
SIXTY-SEVENTH CONGRESS
FIRST SESSION

PURSUANT TO

S. CON. RES. 4

THAT A JOINT COMMISSION IS HEREBY CREATED, TO BE KNOWN AS THE JOINT COMMISSION OF AGRICULTURAL INQUIRY, WHICH SHALL CONSIST OF FIVE SENATORS, TO BE APPOINTED BY THE PRESIDENT OF THE SENATE, AND FIVE REPRESENTATIVES, TO BE APPOINTED BY THE SPEAKER

MAY 20, 1921

Printed for the use of the Committee on Agriculture and Forestry



WASHINGTON
GOVERNMENT PRINTING OFFICE
1921

COMMITTEE ON AGRICULTURE AND FORESTRY.

GEORGE W. NORRIS, Nebraska, *Chairman.*

CARROLL S. PAGE, Vermont.

WILLIAM S. KENYON, Iowa.

JAMES W. WADSWORTH, Jr., New York.

CHARLES L. McNARY, Oregon.

ARTHUR CAPPER, Kansas.

HENRY W. KEYES, New Hampshire.

FRANK R. GOODING, Idaho.

EDWIN F. LADD, North Dakota.

PETER NORBECK, South Dakota.

ELLISON D. SMITH, South Carolina.

JOSEPH E. RANSDELL, Louisiana.

JOHN B. KENDRICK, Wyoming.

PAT HARRISON, Mississippi.

J. THOMAS HEFLIN, Alabama.

THADDEUS H. CARAWAY, Arkansas.

H. G. THOMAS, *Clerk.*

CONTENTS.

Statement of—	Page.
Senator I. L. Lenroot	6
Hon. Arthur M. Free	12
Mr. C. S. Barrett	16
Mr. Charles A. Lyman	20
Mr. T. C. Arkeson	21
Mr. R. C. Milliken	23
Mr. T. E. McLaughlin	24

INTENTIONAL SECOND EXPOSURE

COLUMBIA UNIVERSITY LIBRARIES

This book is due on the date indicated below, or at the expiration of a definite period after the date of borrowing, as provided by the library rules or by special arrangement with the Librarian in charge.

C28 (747) M100

March 1921

CONTENTS.

Statement of—

Attestment of—	Page.
Senator I. L. Lenroot	6
Hon. Arthur M. Free	12
Mr. C. S. Barrett	16
Mr. Charles A. Lyman	20
Mr. T. C. Atkeson	21
Mr. R. C. Milliken	23
Mr. T. E. McLaughlin	24

JOINT COMMISSION OF AGRICULTURAL INQUIRY.

FRIDAY, MAY 20, 1921.

UNITED STATES SENATE,
COMMITTEE ON AGRICULTURE AND FORESTRY,
Washington, D. C.

The committee met, pursuant to call, at 10.30 o'clock a. m., in room 433 Senate Office Building, Senator George W. Norris presiding.

Present: Senators Norris (chairman), McNary, Capper, Gooding, Ladd, Norbeck, Ransdell, Kendrick, Harrison, Caraway, and Hefflin.

The CHAIRMAN. The committee had under consideration Senate concurrent resolution 4, "That a joint commission is hereby created, to be known as the joint commission of agricultural inquiry, which shall consist of five Senators, to be appointed by the President of the Senate, and five Representatives, to be appointed by the Speaker," which is here printed in full, as follows:

[S. Con. Res. 4, Sixty-seventh Congress, first session.]

Resolved by the Senate (the House of Representatives concurring). That a joint commission is hereby created, to be known as the joint commission of agricultural inquiry, which shall consist of five Senators, three of whom shall be members of the majority party and two of whom shall be members of the minority party, to be appointed by the President of the Senate, and five Representatives, three of whom shall be members of the majority party and two of whom shall be members of the minority party, to be appointed by the Speaker.

Said commission shall investigate and report to the Congress within ninety days after the passage of this resolution upon the following subject:

1. The causes of the present condition of agriculture.
2. The cause of the difference between the prices of agricultural products paid to the producer and the ultimate cost to the consumer.
3. The comparative condition of industries other than agriculture.
4. The relation of prices of commodities other than agricultural products to such products.
5. The banking and financial resources and credits of the country, especially as affecting agricultural credits.
6. The marketing and transportation facilities of the country.

The commission shall include in its report recommendations for legislation which in its opinion will tend to remedy existing conditions and shall specifically report upon the limitations of the powers of Congress in enacting relief legislation.

The commission shall elect its chairman, and vacancies occurring in the membership of the commission shall be filled in the same manner as the original appointments.

The commission or any subcommittee of its members is authorized to sit during the sessions or recesses of Congress in the District of Columbia or elsewhere, to send for persons and papers, to administer oaths, to summon and compel the attendance of witnesses, and to employ such personal services and

incur such expenses as may be necessary to carry out the purposes of this resolution; such expenditure shall be paid from the contingent funds of the Senate and House of Representatives in equal proportions, upon vouchers authorized by the committee and signed by the chairman thereof.

STATEMENT OF SENATOR I. L. LENROOT, OF WISCONSIN.

Senator LENROOT. Mr. Chairman and gentlemen of the committee, as the resolution was originally introduced it provided for a commission of 12, 6 members of the Senate and 6 members of the House, and it further provided that the commission should be selected from representatives of four specified committees of each House. In the Senate, the Committee on Agriculture, the Committee on Finance, the Committee on Commerce, and the Committee on Interstate Commerce were specified. In the House, the Committee on Agriculture, the Committee on Ways and Means, the Committee on Interstate Commerce, and the Committee on Banking and Currency were specified; but in the redraft of the resolution all reference to any committees is eliminated; so that there is no restriction, if this commission is created, as to the members of it. They may all come from one committee, or they may come from different committees. The only thought that there was in reference to having more than the members of one committee upon such a commission was that, after the investigation, recommendations would no doubt be made, for instance, that would cover legislation not within the jurisdiction of this committee or any specified body; but if the membership were composed of members of committees that had to do with the subjects that do affect agriculture it would have a very important bearing in the consideration of that legislation.

Now, as to what could be accomplished by such an investigation—

The CHAIRMAN. Senator, I want to ask you a question on that point: I never could understand why in an investigation of agriculture, purely an agricultural proposition, this joint commission provided for should not be composed of subcommittees appointed by the Agricultural Committee of the Senate and the Agricultural Committee of the House.

Senator LENROOT. I tried, Mr. Chairman, to state the reason.

The CHAIRMAN. Yes; but if that be a good reason it should go to other committees, because it affects other things. For instance, if there is a tariff proposed on agricultural products it goes to the Finance Committee.

Senator LENROOT. That is what I had in mind.

The CHAIRMAN. They do not give it to the Agricultural Committee because it is an agricultural proposition. Now, we will never get a subject but what it affects more than one industry, because all bear a relation to each other.

Senator LENROOT. That is true; but, for instance, if this commission goes into the tariff subject and if there be one member of that commission who is a member of either the Ways and Means Committee of the House or the Finance Committee of the Senate, who has followed the investigation from its beginning to its end and who has joined in its recommendations, it seems to me that the committee having jurisdiction of that tariff question, whether it came before the Finance Committee or the Ways and Means Committee, would

be in a much better position to act intelligently upon that subject if some member of that committee had been a part of and had participated in its investigations.

The CHAIRMAN. Suppose, now, you introduce a bill to amend the Federal farm loan act.

Senator LENROOT. Yes.

The CHAIRMAN. In which the farmers had a paramount and direct interest.

Senator LENROOT. Yes.

The CHAIRMAN. That bill would go to the Banking and Currency Committee.

Senator LENROOT. Yes.

The CHAIRMAN. Why should not that bill come to this committee, or why would it not be necessary there to have a joint committee, because Agriculture is directly interested in it?

Senator LENROOT. That is true; but let me give you one illustration. To my mind the investigation would cover a very much broader field than the mere investigation—for instance, of the market price or financing of all agricultural products. What is the situation to-day? The prices of agricultural products are way down. No great harm would result in the future from a low-price level provided we had other similar price levels—for instance, the price levels of steel products, of agricultural machinery, and other things of that art.

The farmers then could make their purchases, provided the price levels on those things were the same as the price level on the agricultural products. But when we find, as I think this commission will find, if it is created, a level on farm products down here and a level on steel products up here, it becomes a very important question, and yet you would not say that in dealing with the price level, if Congress can deal with it at all, it would be a question for the Agricultural Committee to take jurisdiction of.

The CHAIRMAN. Now, as far as that pertains to agricultural conditions, I think it would be within the province of an Agricultural Committee; but I can not understand why, when you have a Committee on Agriculture, and we want to investigate something that is connected up with something else, but with agriculture the principal thing, we should go outside of the Agricultural Committee to make the investigation. As a matter of fact, when you have something else that is paramount, and we are going to investigate it, even if it contains an agricultural proposition, you do not consider the Agricultural Committee at all.

Senator LENROOT. We are not going outside of the Agricultural Committee for the investigation. I would as soon that the members of the Agricultural Committee in both Houses would be members of this commission, because, as the chairman knows, when recommendations come in and bills are drafted, under the rules of the Senate all of those bills will not go to this committee; they will go to various committees.

Senator HARRISON. Would it not have been a proper procedure for this to have gone to the Rules Committee?

Senator LENROOT. No; I think not.

The CHAIRMAN. Why has it come to the Agricultural Committee at all? Why should it not have gone to the Finance Committee?

Senator LENROOT. Because agriculture is the principal thing affected, and it is important for this committee to determine it. Now, I want to say very frankly, right at this point, that I am not insisting, and shall not insist, that the membership of this commission shall consist of anyone outside of the Agricultural Committees. I am anxious to see this investigation made. If this committee thinks it can better be made by confining its membership to the Agricultural Committees, and if the committee will do that, why, I shall agree to it.

Senator HARRISON. I think the Agricultural Committee should handle all of these matters.

Senator LENROOT. That is my idea, but what I am interested in, Mr. Chairman, is having this investigation made, and a thorough investigation. Now, by whom it is made or how it is made, I am perfectly willing to leave to the judgment of this committee.

Senator GOODING. I think it would be a very serious mistake to start in on this investigation without going to the bottom of it.

Senator LENROOT. I agree with you, Senator.

Senator GOODING. It is likely to be one of the biggest questions coming before Congress.

Senator LENROOT. Yes.

Senator CARAWAY. Do you think 90 days would be sufficient time in which to complete the investigation?

Senator LENROOT. Well, as the Senator well knows, it can be extended, and it is common practice to extend, but it is very well to have a limitation, because I think the commission would work more steadily and that much harder with a limitation than they would without it, and, of course, it is of the very greatest importance that the investigation be completed at the earliest possible moment.

Senator HARRISON. Do you propose that the commission shall investigate the tariff on agricultural products and make a report, in addition to what Congress may do in this tariff?

Senator LENROOT. No; the commission could not undo that.

Senator GOODING. Let me ask you this question, Senator: Can this committee spare five members of the committee to give the attention that this bill is going to require? Would it be possible for us to do that? They have about all they can do, and they will not be in a position to give any time to it at all, it seems to me, if it is going to be done right. I simply want to raise that point. It seems to me that this is pretty broad in its scope.

Senator LENROOT. There is this situation in the House, which you will at once recognize, that under the rule of procedure passed in the House the Appropriations Committee consists of 35 members, who have been selected from the members of the various committees that theretofore had been appropriating money, like the Committee on Agriculture, which always reported the Agricultural bill, but which does not do so any longer. That is now reported by the Committee on Appropriations. Some of the ablest members formerly on the Committee on Agriculture are now members of the Committee on Appropriations. The members of the Committee on Appropriations are through with their work for this season, and if it is confined to the Agricultural Committee of the House, it would be deprived of the services of some of the ablest men of the House, who would have

the most time to devote to this investigation during the coming summer.

Senator RANSDELL. Mr. Chairman, if I may be permitted to say this in connection with what Senator Lenroot has said, I notice that two of the very important functions of this commission refer to financial resources and credits, especially agricultural credits, and also the marketing and transportation facilities of the country. My present opinion is that those are two of the most important problems now confronting us—agricultural credits and transportation—and it certainly seems to me it would be very wise to have represented on this commission at least one man from the Finance Committee and one from the Committee on Interstate Commerce.

The CHAIRMAN. As an abstract proposition that is true, but that is not true of this thing alone. That is true of practically every bill that we have had. What you have said about this investigation is true of the so-called packers bill. It is true of the general appropriations bill, and I personally would just as leave have it made by somebody outside of the Agricultural Committee entirely.

Senator LENROOT. May I make this statement, Mr. Chairman? As the resolution is now drawn, the membership may come wholly from the Agricultural Committee, and, of course, the Vice President of the Senate, I am very sure, will consult the views and follow the views of this committee with reference to the personnel of that commission. If this committee, in consideration of this resolution, comes to the conclusion that, in their judgment, the Senate members should be confined to members of this committee, and make that suggestion to the President of the Senate, I shall have no objection. I do not see, at this stage, that that needs to be a matter of controversy. Let the committee decide that later on, as to the membership of the commission. The important point is to have this investigation made.

As I said, of course, your committee now has the power to make this investigation. This committee had the power last winter to make it. The Committee on Banking and Currency has the power to make an investigation of certain phases of it. The Committee on Interstate Commerce, it is true, is now making an investigation of the general subject of railway transportation, and if this commission is created, I would expect that this commission would, instead of going into an original investigation of the transportation question, avail itself of the work of the Interstate Commerce Committee; but I do not anticipate that the Interstate Commerce Committee of the Senate, in making its investigation, will go into the question of relative rates upon agricultural products. I think that is a question that might well be taken into consideration, whether a rate is so prohibitive on a certain product that it is furnishing no revenue.

Now, I hold in my hand certain literature issued by the National Farmers' Union to April 22, and I just want to call attention to this to indicate how important it is that a comprehensive investigation, such as this resolution contemplates, shall be made. This says that the direct cause of this loss, speaking of the loss of the farmers, is the profit of the middleman, which includes speculative gambling.

Now, Mr. Chairman, we are always hearing these charges, and yet I know of no department of the Government or Congress that has ever attempted to make a comprehensive investigation and find out

just where the profiteering is and who is guilty of it. I should hope, if this commission be created, that we take, for instance, a bushel of wheat, taking it from the farm to the ultimate consumer, every step of the way, and find out who it is, if anybody, that is making the exorbitant profit. I should do the same with other basic products and get this information.

Take coal. Out in my country we are paying \$16 or \$18 a ton for coal. Now, I know of no investigation that has ever been made, taking a ton of coal and following it from the mine to the ultimate consumer, and ascertaining whether there has been an exorbitant profit in the price of that coal, and if so, who is guilty of it.

Senator McNARY. I think, if I may interrupt you, Senator, that the Manufacturers' Committee during the last session of Congress made a very complete and exhaustive investigation of that.

Senator LENROOT. Yes; although, even there, we had an abnormal situation with reference to coal, and that committee undertook to deal only with that abnormal situation. I am speaking of a normal situation. We ought to know, for instance, what it costs normally to mine coal, what the transportation rate is, what the commission is, and so on, all the way down the line to the ultimate consumer.

Senator GOODING. Senator, let me ask you this question: Is it your thought that if this committee were composed of members of different committees of the House and Senate, their findings would be given much more consideration than otherwise?

Senator LENROOT. That is it exactly.

Senator GOODING. Is that your thought?

Senator LENROOT. It certainly is.

Senator HARRISON. You made the statement that the resolution as submitted by these various organizations is different from your resolution. What is the difference?

Senator LENROOT. The principal difference is that that resolution calls for a commission of 20 members, to be composed of 1 member from each of the 10 principal committees of each House. That, of course, would have included Naval Affairs, Military Affairs, and some other such committees.

Senator HARRISON. Would they investigate other propositions?

Senator LENROOT. No; the same thing. There is no difference between us as to the scope of the investigation, but I do think that a commission of 20 would be too large, that it would not do the work as well as a smaller commission would, and I also think that 10 of the principal committees who had representatives on this commission would have nothing to do with the subjects in the way of legislation.

Senator GOODING. My only thought in the matter is to get a committee that is going to be in sympathy with agriculture.

Senator LENROOT. Yes; certainly.

Senator GOODING. Is there any danger of not getting that?

Senator LENROOT. I have just indicated, Senator, that I would expect, if this committee takes favorable action upon this resolution, the Vice President, in appointing the members from the Senate, would consult with this committee, and I would assume that the Speaker of the House, in appointing the House members, would consult with the chairman of the Agricultural Committee with reference to the membership of this commission.

Senator GOODING. I see.

Senator LENROOT. And that would be entirely satisfactory to me.

Senator HARRISON. Now, let me ask you this: This resolution provides for a membership of 10.

Senator LENROOT. Yes.

Senator HARRISON. Five Senators and five Representatives.

Senator LENROOT. Yes.

Senator HARRISON. You have suggested four committees in each body, from which one member is to be taken. Naturally they would take the chairman, and under the peculiar and abnormal conditions, those chairmen are all Republicans. Have you thought about that in this connection and whether or not there should be a Democrat on this?

Senator LENROOT. Yes; what I had in mind in regard to the membership of the committee of 10 would be 6 Republicans and 4 Democrats, which would be, of course, more than they are entitled to.

Senator RANSDELL. May I ask you this, Senator Lenroot: Would they select the chairmen? I have always been under the impression that the chairmen of these big committees are very hardworking men, and if I were the chairman of one of these big committees, it seems to me that I would want to dodge investigation of a subject like this, which would necessarily entail a great deal of work. I do not think it necessarily true that the chairmen would be put on this committee at all. Of course, they could go on if they wanted to do it.

Senator LENROOT. Now, if I may go on for a moment, another benefit to be accomplished by such an investigation is this: Every member of this committee knows that we are constantly in receipt of suggestions and demands for every sort of legislation on this subject, and every Senator also knows that the jurisdiction of Congress is limited with reference to this subject. In time of peace we are limited, really, to three different lines: One, regulation and control of interstate commerce, and that jurisdiction now is very limited since the decision of the Supreme Court in the Child Labor case a little over a year ago; second, taxation; and, third, the matter of financial credits. We can not legislate directly upon profiteering in time of peace, and yet every Senator knows that we are constantly being blamed because we are not doing that.

Senator GOODING. Without an amendment to our Constitution?

Senator LENROOT. That is true; but I think it would be of the very greatest value to have a report from such a commission after a thorough examination as to the limitations of the powers of Congress and the directions in which it has to be limited to move under the Constitution.

There is, however, one thing that can be done and, to my mind, it is a thing that ought to be done, not in the way of regulation or restriction, but the Senators will remember that President Harding, in his message to Congress, suggested that it would be very helpful if we could have some commission or some body that would constantly be making investigations determine this question of these prices, and he suggested that constant publication of what would be a fair price would be most helpful in eliminating profiteering. That is something that is entirely feasible.

I want to say that I believe that if we had such a body prove to the public that here is some step either in production or distribution

where exorbitant profits are being made, and the widest publicity given to that, it would do more to stop it, in the way of compelling public sentiment, than any legislation itself would do.

These are some of the things that I think a commission could accomplish. I know of nothing more important to come before this Congress. It is more important than the tariff; more important than revising our tax laws. That is a thorough and comprehensive investigation of the conditions of agriculture, especially those things that the farmer must have in order to enable him to live and to prosper. Let us find out from such a commission what can be done by Congress and let us have definite recommendations so that there will be something concrete to work upon. We have not any such thing now.

The CHAIRMAN. Now, Mr. Barrett, do you want to be heard?

Mr. BARRETT. Mr. Chairman, Congressman Free, of California, would like to be heard now.

The CHAIRMAN. Very well.

STATEMENT OF HON. ARTHUR M. FREE, REPRESENTATIVE IN CONGRESS FROM CALIFORNIA.

Mr. FREE. Mr. Chairman and gentlemen of the committee, I feel that I should not take up your time now, as I see you are for this resolution. The only question, apparently, in your minds is as to who shall compose the commission.

The CHAIRMAN. Now, let me ask you right on that point. Why would it not be a practical proposition that, instead of having this investigation made by a commission of the kind referred to, you simply designate the Federal Trade Commission to do what has been outlined here? They are better equipped to do it.

Mr. FREE. I want to reserve judgment on the Federal Trade Commission, but I want to say to you gentlemen that our experience in California with the Federal Trade Commission, so far as the farm organizations are concerned, has been very disastrous. We would not appreciate the Federal Trade Commission harassing our cooperative concerns any further. I am merely giving you that answer, reserving my judgment on the Federal Trade Commission, but that is our feeling in California, that they have been antagonistic to the farmers' interests in California, and we want to see some commission appointed that will give the farmer a hearing.

The CHAIRMAN. I did not know that any such feeling existed. I supposed that there was one commission that had the confidence of the farming interests all over the United States, but I may be mistaken about that. The principal thing I had in view was that the Federal Trade Commission was already equipped to start right out and make the investigation, and a committee of Congress would necessarily be interfered with more or less by their duties here. The Federal Trade Commission has the organization and has a good many employees, while this commission would have to get their organization somewhere.

As I understand it, the Federal Trade Commission has on its pay roll experts in almost every line.

Mr. FREE. Well, I am a new Member of Congress, yet I am in touch with conditions pretty generally, and I feel that the condition

at the present time is such that you would not get cooperation by the Federal Trade Commission investigating this matter to the same extent that you would from a committee of Congress. The report of this commission should come in without any reflection of bias, prejudice, or further mishandling or manhandling by anybody. We want the confidence of the business public. We want the confidence of the farmer in the report that will come out of this, and I think it would be an awful mistake to turn this over to the Federal Trade Commission at this time.

Now, understand me, I do not want to be in the position here of hammering the Federal Trade Commission. I am merely answering your questions, but I do not think that their manner of handling things in the past, as far as the farm products of California are concerned, has been ridiculous, disastrous, and unfair. They have not the confidence of the California interests, and I do not think they have the confidence of business interests generally. I do not mean big business, but I am talking about general business, and I believe report from a commission composed of Members of Congress, appointed in this way, would reach a better result for the farmer, and the report would mean more to the business world and to the farmer.

Now, addressing myself for just a moment to the necessity of this, I represent what has been told to me, and I believe it, to be the richest agricultural district in the United States. When I left California practically 60 per cent of our products were in the warehouses unsold.

Senator CAPPER. What are your products?

Mr. FREE. Canned fruits, dried fruits; for instance, we produced last year over 3,000,000 cases of canned goods; we produced over 150,000 tons of dried fruits, and over 13,500 tons of dried apples, and so on down the line. Now, the goods were not held because they were holding them for a high price, as those men have been willing to take their losses to get the goods on the market.

One of the Senators here has told us of what he considered to be the troubles of to-day; but, gentlemen, I consider the big problem for the farmer to-day and for the consumer is the problem of distribution. We in California are harassed by lack of distributing facilities to enable us to put our products out. Right at this moment, the cherries are ripe in California, and carloads are sent into the big cities, there to rot or to be sold for nothing, or else be sold at such a high price that the consumer can not get them to eat them.

Senator RANSDELL. Does not the question of transportation cut a big figure in that?

Mr. FREE. It does. When you pay the jobber 5 per cent, when you pay the wholesaler 15 per cent, and then when the retailer takes an additional 25 per cent out of that you can see how important it is to get the goods from the producer to the consumer without so many jobs taken out of the thing before it reaches its ultimate destination.

Senator HEFLIN. You mean at a price the consumer can afford to pay?

Mr. FREE. Yes. We in California would be willing to put out our goods at a fixed price, so that every man, woman, and child in the United States could eat those goods. If the facilities were large enough we could take the packers' cars of the packing house that were put out of business, and we could put out, at a cost not to exceed 10

per cent of the cost of the production, those goods, right to the consumer.

Now, you have certain organizations fighting that sort of thing, and they have been vicious about it. Take the wholesale grocers; they have been fighting that, and right now there is a man sitting behind me who represents seven farm canneries who put out last summer over 1,000,000 cases of canned goods, and he has suffered at their hands. In this country we have been hampered in our efforts to get the goods to the consumers, instead of being helped, and that is the reason I am so interested in this.

I know that you have the impression that some of the farmers out there want to get exorbitant prices. They do not. Their cooperative associations have been formed in self-defense and not with the idea of putting up prices.

Senator RANSDELL. How about Mr. Sapiro's organization?

Mr. FREE. Now, please do not associate these organizations with Mr. Sapiro. He does represent some, but Mr. Sapiro does not represent the cooperative organizations of California.

Senator RANSDELL. The reason I asked about him is that his name is mentioned in the papers now. He is in charge of the organizations in Oklahoma?

Mr. FREE. Yes, he is. He was put in charge of some work to begin with, but the associations in California are not all Sapiro organizations. There are some wrecks along the way—tombstones which might be erected with Sapiro's name upon them. For instance, there was the Tomato Growers' Association. That is a wreck. Some of the other organizations discharged Mr. Sapiro before they were wrecked.

The California Fruit Association has just gone through a reorganization, and that is a success, although they had a struggle to reorganize among their own members, due largely to some of the things advocated by Mr. Sapiro. He has done a lot of work along that line and he understands the problem.

I think his difficulty was largely one of personality, of forcing things through where they should not be forced through. I think he knows the problem thoroughly. I think there is no man in the United States who knows it better, but his way of doing things has caused some trouble.

I do not want to take any more of your time, gentlemen, but I am vitally interested in seeing this commission appointed.

Answering the question of the chairman, I think it would be an awful mistake to turn it over to the Federal Trade Commission. I think an independent commission would satisfy the farmers in my country. You must remember that the Federal Trade Commission has been harassing our cooperative organizations there.

The CHAIRMAN. Have they been investigating them?

Mr. FREE. No; persecuting them.

The CHAIRMAN. Well, under some instructions or some resolution of Congress, was it?

Mr. FREE. No; of their own volition.

The CHAIRMAN. Was that in connection with the packer investigation?

Mr. FREE. Oh, no.

The CHAIRMAN. It was independent of that, was it?

Mr. FREE. The California Raisin Association is an example.

My criticism, if I may say it, of the Federal Trade Commission is this, that they never offer anything constructive. Now, I say that after having spent 12 years as district attorney of the fourth largest county in California. A man who is in the position of prosecutor—and that is practically the position of the Federal Trade Commission—should be fair. Through unfair methods—not because of the law, but by the way the thing is done—he can practically hang a man before he has had a trial.

That has been their situation. Instead of coming out to the Raisin Association in California and saying, "Do this" and "Do that," which the Raisin Association would have been glad to do, they put out an indictment, and we find that the information is released in that indictment days before the indictment is returned, and the defendants know nothing of what they are indicted for except the bare words of the indictment.

The CHAIRMAN. Now, did you, as district attorney there, come in contact with that matter? Was that in your district?

Mr. FREE. Oh, no; I did not say that.

The CHAIRMAN. The Federal Trade Commission does not indict anybody?

Mr. FREE. No; but I say the prosecutor has to be a very fair man.

The CHAIRMAN. Yes. These indictments came from the Department of Justice, did they not?

Mr. FREE. At the suggestion of the Federal Trade Commission. I will show you one way that we suffered as the result of the thing—

Senator HARRISON. Mr. Chairman, if we have to try the Federal Trade Commission we will never get to this resolution.

The CHAIRMAN. Well, we may have to try it before we get through with this resolution.

Senator GOODING. It seems to me that this is a matter which must be handled by Congress. I have no prejudice against the Federal Trade Commission, but if you put it up to them, all we will have is a report, and who is going to read that report? To my mind this involves one of the biggest questions before the Government, and you should have men on this commission who are going to be in touch with it and defend it on the floor. If you turn it over to the Federal Trade Commission the effect of it would be lost, to my mind.

The CHAIRMAN. I do not care whether it is made by the Federal Trade Commission or not, but if you can not suggest an amendment to the resolution, we have to take it just as it is. In speaking of suggesting amendments, that does not mean that I want to do that.

Senator GOODING. No; I understand that.

The CHAIRMAN. Now, as to the report of the Federal Trade Commission not being read, who is going to read the report gotten out by this commission?

Senator GOODING. There will be men on the floor who will be in touch with the matter.

The CHAIRMAN. Yes; but the report itself will amount to nothing unless we do something.

Mr. FREE. You understand, gentlemen, that I have not come here to knock the Federal Trade Commission. I am simply answering the question of the chairman.

The CHAIRMAN. No. I certainly have no objection to your criticism of the Federal Trade Commission.

Mr. FREE. When this comes back, as a Member of the House representing an agricultural district, I do want to be able to get behind it, without any objection that can come on account of anything that has happened in the past.

The CHAIRMAN. Well, when you get this before the House and the Senate in the shape of a report, the same question of not reading it will occur then. We have thousands of pages of reports that the Members of Congress do not read, but you get into the fight when the bills are proposed.

Mr. FREE. No; you did not understand me, but I would like to see the commission start anew, with no past prejudices and no attacks upon them to defend. If a commission composed of Members of the House and Senate would be appointed, it would be looked upon generally very favorably and so would their report.

The CHAIRMAN. I would be glad to have that kind of a report on a contested proposition, but I have been here for 18 years and I have never seen one of that kind come from Congress or anybody else.

Senator HARRISON. You are in favor of this resolution?

Mr. FREE. Oh, yes.

Senator GOODING. There has been no amendment offered to the resolution.

The CHAIRMAN. Mr. Barrett.

STATEMENT OF MR. C. S. BARRETT, UNION CITY, GA., PRESIDENT OF THE NATIONAL FARMERS' UNION AND CHAIRMAN OF THE NATIONAL BOARD OF FARM ORGANIZATIONS.

Mr. BARRETT. Gentlemen, I have heard that some of you gentlemen want to know the reasons for this resolution.

The CHAIRMAN. Will you please state your official position with the farmers' organizations for the benefit of the record?

Mr. BARRETT. I am president of the National Farmers' Union and chairman of the National Board of Farm Organizations.

I heard that some of you gentlemen want to know the reasons for this resolution, and you want to know if the farmers were in favor of it, but I find that you know the reason, and I think you are satisfied that nearly everybody wants it.

I have prepared a paper so that Senator Caraway and Senator Ransdell may read it. May I just hand it in?

The CHAIRMAN. Yes.

Mr. BARRETT. That will save time.

The CHAIRMAN. All right.

Senator RANSDELL. I might suggest that while we are in favor of it, there may be some members of the Senate and House who are not in favor of it, and perhaps you had better put this ammunition that you have in the record, so that they can all get hold of it.

Mr. BARRETT. Thank you. I will be delighted to do that.

Senator RANSDELL. It is understood now that this goes into the record, is it?

The CHAIRMAN. Yes.

Senator HEFLIN. Whatever Mr. Barrett wants to put into the record.

Mr. BARRETT. All right.

(The statements submitted by Mr. Barrett are as follows:)

STATEMENT BY C. S. BARRETT, CHAIRMAN OF THE NATIONAL BOARD OF FARM ORGANIZATIONS AND PRESIDENT OF THE NATIONAL FARMERS' UNION, TO THE SENATE AGRICULTURAL COMMITTEE AT THE HEARING ON MAY 20, 1921, IN SUPPORT OF THE LENORE-STRONG CONCURRENT RESOLUTION PROVIDING FOR THE CREATION OF A COMMISSION OF AGRICULTURAL INQUIRY.

There appears to be an impression in the minds of some distinguished Senators that this is a matter for the exclusive attention and consideration of Agricultural Committees of each House.

If it were exclusively an agricultural program, I might register my agreement with that view. But I would still be confronted with the fact that these committees already have all the work that they should be expected to handle.

The resolution which we ask you to report concerns all persons and all legitimate interests in the United States, and no established committee has the time necessary to devote to the tasks which the proposed commission of agricultural inquiry would be asked to perform.

Congress is asked in this concurrent resolution to provide for the creation of a commission whose duty will be officially to determine what is wrong with agriculture and also to propose remedies for faulty conditions.

The resolution also charges the proposed commission to determine to what extent the Federal authority can assert itself as a corrective agency for public wrongs in so far as they affect agriculture and its collateral agencies.

It seems to me that the Agricultural Committees of the two Houses, no matter how distinguished the personnel or how devoted to the public interest the members may be, would not be able, unassisted, to perform the great task which this resolution would assign the proposed commission. The time of the members would necessarily be taken up with affairs which are distinctly and exclusively agricultural in their nature and aims.

No matter what verdict the Agricultural Committee would register, a very large proportion of our people would regard it as the findings of an organization having the exclusive interests of agriculture in mind. This, of course, would not be the conclusion of citizens who are well informed, but we must take into consideration the fact that the bulk of our people would not have the information essential to the proper appraisement of a verdict recorded by a committee properly supposed to be interested almost wholly in one branch of American industry.

With the great body of farmers which assembled in Washington last month endorsed the resolution before you, it was with the clear understanding that the investigation was to be undertaken by a commission, the personnel of which would be selected from a number of committees in Congress. They were quite convinced that no one committee could supply a membership of the proposed commission whose findings would command the full and sympathetic attention of the American people.

The farmers who instructed me to represent them at this and other hearings made it plain that they could not be satisfied with a commission that did not represent in a general way the basic interests of the United States. They saw quite clearly that the lateral unions which lead to the great ditch of agriculture must be surveyed before it was possible to announce with any degree of certainty what really is wrong with agriculture.

Citizens who believe themselves to be well informed on agricultural conditions insist that they know what is wrong. They tell us it is no use wasting time investigating causes, conditions, and effects, but we should at once proceed to set matters right.

But is it not possible that these citizens have seen only the symptoms of the disease itself? We know that the farmers are in a desperate condition financially; that they are unable in scores of thousands of cases to meet the interest on their mortgage indebtedness; that they are unable either to buy or sell, but do know the fundamental causes for these admitted facts.

We have been telling each other that high freight rates, the manipulating middlemen, the unfairly discriminating financier, and a number of other agencies have contributed to the present intolerable condition of agriculture.

And all these, it is true, have operated against the interest of the tiller of the soil, just as they have operated against the interests of those who buy the products of the farm.

But, on the other hand, all these agencies are engaged in an energetic, not to say frantic, defensive. They are telling the country that they are not to blame and inviting our citizens to look for other causes for the high cost of living. The manufacturer, the wholesaler, the jobber, the retailer, and the carrier each spurns the charge that he is engaged in the practice of profiteering.

They all say somebody or something else is to blame, but none so far apparently has put his finger on all the real offenders. Each is silent in his own field and apparently successful in passing the guilt on to some unnamed or unidentified person or agency.

In the meanwhile the public is becoming more and more bewildered. They hear stories of farmers selling below the cost of production while they are forced to pay enormous prices for what they eat and wear. The retailer tells them he is only getting a fair profit; the wholesaler intimates that the retailer is lying; and the jobber gets around that the farmers are getting abnormally rich. The average citizen knows that somebody is lying, but he knows not how or where to find the falsifier.

If the farmers address the public on this question it will naturally be interpreted as a class appeal.

If the Agricultural Committee should address the public it would be received as an appeal by the champions of the farming industry.

Of course, the committee could honestly disclaim any purpose to seek consideration for a class; but I am talking about how the average citizen, who is not and can not be acquainted with you gentlemen, would interpret such an appeal.

Perhaps we farmers could tell all the ailments of agriculture and with scientific certainty assess the blame for its maladies, but would the Nationals believe us? Would the people accept our diagnosis as accurate?

And, notwithstanding its organizations has repeatedly laid the facts before the country, but these facts have received deserved attention by very few outside the boundaries of agrarian America.

The Department of Agriculture is a very useful arm of the Government. Indeed, it is indispensable. But its findings receive due attention only from agrarian America, and the information it disseminates influences or entertains very few who are not engaged in the calling of agriculture or are dependent thereon.

And so the public mind naturally associates the Department of Agriculture and the committees of both Houses with rural America. Hence the findings of these great organizations can not be expected to exert the influence or command the attention which would result from an official pronouncement by an independent committee.

I am quite confident that a commission such as this resolution provides for can and will discover all the facts upon which to found an agricultural policy for the United States.

Until these facts officially are determined, and determined in such a manner as to command the full confidence of all legitimate elements in the United States, legislation designed to be helpful will necessarily be piecemeal, fragmentary, and seldom entirely satisfactory.

The country has not the assembled data upon which to base a comprehensive understanding of agrarian problems. This information has not been collected by any agency capable of commanding the full and sympathetic attention of all wholesome thinking individuals.

Agriculture is anxious to tell all the facts concerning itself. We want to establish an understanding with our fellow citizens in the cities. It is an axiom in law that he who is the judge of his own cause. This is equally true regarding institutions. Therefore agriculture as an institution urges that a competent and independent tribunal be created, whose duty it will be to discuss and announce the truth.

If the people of the cities know the truth concerning agriculture, much of the bitterness of feeling that has been fostered by certain interests will disappear. The groundwork for the establishment of mutually profitable cooperative effort will be established. Because of the bewildered and mystified state of the mind of urban America in connection with the cost of foodstuffs and wearing apparel it is now difficult, if not impossible, to create an atmosphere of mutual good

will and good fellowship which would give promise of better things both for the farmer and the city producer.

Sellish and predatory interests are naturally concerned in making each element believe that the other is his enemy. In this way they are able to continue to collect unreasonable toll both from the consumer and the producer.

There can be no doubt that the farmers are willing that the city workers shall be well housed, well fed, and well educated. I mean by the city workers all who produce anything of real value to society. Neither is there any doubt in my mind that the average urban toiler is willing that the farmer shall receive a just reward for his investment of capital and labor.

Each is the customer of the other, and each is unwilling that the buying power of either shall be seriously impaired. And yet the unwholesome and untrue conviction has seized the urban mind that the farmer is a profiteer. This has been done, not by the farmer, but by the manipulator, who is naturally unwilling that his profits shall shrink.

It is apparently useless for the farmers themselves to deny these aspersions or to furnish figures and facts in support of their plea of not guilty. Their denials are received in some quarters with derision, and nowhere are they given such attention as would result in properly informing the mind of the doubter.

Therefore, we have asked this committee to report the Lenroot-Strong joint resolution in substance as it has been referred to you by the Vice President. We believe that it is the only effective method of arriving at the truth. We believe that through such action finally will be created an understanding between the cities and the country which will enable each to become more serviceable to our Nation.

REASONS FOR THE ADOPTION OF THE LENROOT-STRONG RESOLUTION PROVIDING FOR A SPECIAL COMMISSION OF AGRICULTURAL INQUIRY.

[By S. C. Barrett, chairman of the National Board of Farm Organizations and president of the National Farmers' Union.]

Remedial legislation can not be enacted unless full and complete information as to the condition of agriculture and the causes for such a condition is gathered and assembled.

It is impossible for any private agency to gather and assemble the needed information.

No power short of Congress can be expected to collect the facts and transmit them to the country with any assurance that our citizens will accept them as the product of a real effort to reach the truth.

No regular committee in Congress is able to give the time and thought necessary to the discovery of the exact truth regarding agriculture.

As the resolution provides that the commission shall undertake the task of proposing concrete corrective legislation, such a body would take on the character of a judicial tribunal ready when the evidence is weighed and sifted to outline an agricultural policy for the Nation.

The country is entitled to exact knowledge regarding the speculative middleman or manipulating distributor.

The country is entitled to exact knowledge regarding the effect that high freight rates have on the prices of the products of the soil.

The country is entitled to exact knowledge as to the identity of persons, institutions, and corporations engaged in the business of excessive profiteering.

The country is entitled to exact knowledge concerning financial conditions and credits, especially as these affect agriculture directly and the city consumer of agricultural products indirectly.

The country is entitled to exact and specific knowledge as to the operations of Federal reserve banks in so far as they affect the farmers.

The country is entitled to exact, specific, and authoritative knowledge concerning the operations of railroads and railroad agents who are alleged to have discriminated against cooperative farm organizations engaged in the shipment and sale of grain, live stock, fruit, and other products of the soil.

The country is entitled to exact, specific, and authoritative knowledge regarding the operations of farm organizations and capital alleged to be engaged in the work of pinching down the prices of farm products to the original producer while taking care to collect from the final consumer a heavy toll in the shape of commissions or otherwise.

It is most important that the country be made acquainted with facts concerning profiteering during the war. It has been charged that the farmers were the chief beneficiaries of the prices which at that time prevailed. This charge the farmers know to be utterly without foundation, but the country does not know it, and millions of our citizens refuse to acquiesce in it and will continue to hold us guilty until a tribunal such as we propose collects the evidence and publishes its findings.

It is manifestly impossible for a committee with heavy and absorbing duties to perform to carry to satisfactory completion a program so far-reaching.

MR. BARRETT. We will just take a minute further of the committee's time. I will ask you now to hear Mr. Lyman.

STATEMENT OF MR. CHARLES A. LYMAN, WASHINGTON, D. C., SECRETARY OF THE NATIONAL BOARD OF FARM ORGANIZATIONS.

MR. LYMAN. Mr. Chairman, from the sentiment which has been expressed here by the committee, and from my knowledge of the committee, I feel it is unnecessary to go into the reasons why we want to have this resolution.

Senator Lenroot has explained very clearly the steps leading up to the presentation of this resolution.

Now, there are just a few matters that I want to speak of before these other men come on. Congressman Ketcham is here, Mr. Chairman, and there are three or four others who want to say a few words about it.

We have every confidence in the Senate Agricultural Committee, and it was not with any thought that they could not handle the situation that we proposed to have this commission appointed from other committees, but, unfortunately, this committee does not get referred to it all of the matters that are of paramount importance to agriculture. There are several men right here on the committee to-day who are members of the Banking and Currency Committee. They know the hearings that have gone on there recently on the Federal farm land act. That is one illustration where this committee would not have jurisdiction.

Take the other question of cooperative marketing—the bill introduced in the Senate by Senator Capper over a year ago. We would have been greatly pleased if this committee could have had the cooperative marketing bill. It was referred to the Judiciary Committee of the Senate and, through a lack of understanding, I am convinced of the problems of agriculture and of the farmers, the matter has hung fire, and we have not had legislation yet.

So I am simply trying to corroborate what Senator Lenroot said. We would like to have this commission broadened in such a way that there would be men on it who have influence and who will be on these other committees, so that when these other matters come up they will have a better understanding than they have at the present time.

Now, it seems to me that this matter should be put through with the greatest speed. The tendency now is to hammer the farmers' organizations in this country. I want to call your attention to an editorial or an article appearing in the editorial section of the Sunday Star of May 15, by Will P. Kennedy, with reference to the proposed plans of the reorganization committee. This shows a tendency now to dis-

credit the things that the farm organizations and the farmers of this country generally feel it is necessary to have to be able to function.

He says in this article, in one place, that:

As to the Departments of Agriculture and Labor, these are declared to be clearly illiberal and designed for particular classes of citizens rather than for particular functions of government executives for all classes of citizens. These departments are indicated for incorporation in the Interior Department and the public-welfare department, respectively.

Of course, we need not take that too seriously, but it is simply an indication of the sort of thing that is being pushed out, instead of creating an atmosphere favorable to agriculture. An atmosphere is being created here in Washington to make the people think that the farmers are asking for special benefits, while, as a matter of fact, Senator Capper, in introducing the cooperative marketing bill, is simply asking for the same rights which apply to other businesses of this country to be applied to this basic industry of agriculture.

The farmers' organizations and the National Board of Farm Organizations particularly, have always been very friendly to the Federal Trade Commission. I would call your attention to the fact that from our experience we have a great deal of confidence in that commission. I personally would be perfectly willing to have them make this investigation if I thought its findings would have the currency that your findings would here; but with this feeling which is held in regard to the Federal Trade Commission, I think it would be a very unwise thing to do. I have talked this matter over with Congressman Free, and I hope that when he understands the Federal Trade Commission and its personnel, he will not hold the views that he holds now.

THE CHAIRMAN. Of course, Mr. Lyman, it would be impossible for any organization or commission, either of Congressmen or others, to investigate this business like the packers' or the steel trust, and not incur the displeasure and enmity of a very large number of people. A great many people would be innocently opposed to them, who do not really understand, and some would be opposed to them even after they fully understood the situation. A joint commission of this kind will always get the fire, no matter who composes it.

SENATOR HEFFLIN. And frequently some of these large concerns try to discredit these commissions.

THE CHAIRMAN. Oh, yet.

MR. BARRETT. Let me say further, Mr. Chairman, that all of the farmers' organizations in this country, as far as I know, are in favor of the bill, every one of them.

MR. ATKESON, of the National Grange, is here. He looks as though he favors it, although I have not talked with him.

MR. ATKESON will now address the committee.

STATEMENT OF MR. T. C. ATKESON, REPRESENTING THE NATIONAL GRANGE.

MR. ATKESON. Mr. Chairman and gentlemen of the committee, I represent the National Grange. I shall not take more than a minute or two to say what I have to say. It would seem to be unnecessary to take more than a very few minutes.

I infer that the state of mind of this committee is favorable to this commission. As to their state of mind as to whether to make this investigation there seems to be some doubt. Upon that question particularly I am not interested, but it does seem to me that because of the conditions existing in the country, and the public's state of mind, if a fair and impartial investigation could be made by a number of men—men who would be recognized by all of the industries of the country as fair and impartial and with capacity enough to understand the relation of these large problems that affect the basic industry of agriculture—if such a report could be made and printed and given publicity it would go a long way toward disposing of a great deal of loose talk in reference to agriculture and economic conditions as they exist in the country at this particular time.

There seems to be a great lack of definite, dependable information, bearing on every phase of food production and food disposition—the basic problem of feeding the people.

Now, it seems to me that if such a report can be made, based upon the facts in the case, if it is humanly possible to ascertain those facts, great good will have been accomplished.

I want to say from my own standpoint—and I think I may say it from the standpoint of the organization that I represent—that if a committee composed of Congressmen and Senators, as the resolution provides—you can make it larger or smaller, as you please—if such a commission would enter upon this important undertaking there would be more confidence on the part of the American farmers than any other committee could possibly enter upon this investigation with. That is my conviction. The Federal Trade Commission might not accomplish the work even more successfully, but everybody is not in harmony with the record of the Federal Trade Commission. It has done many good things, and has, perhaps, left undone many bad things, but to undertake this particular work at this particular time I feel absolutely certain, at least, in my mind, that no committee made up of any one class of people would have that confidence. If it were made up entirely of farmers it would be construed to be partial. If it were made up of people representing other interests—and I refer now to people outside of the farmers—the report would not be accepted as fair and impartial.

I believe it is possible for the presiding officers of the two Houses of Congress, with the consent and advice of the chairman of this committee and its members, so far as the Senate is concerned, to select a committee of Senators and Members of the House, to be designated by the Speaker of the House, who would have time and inclination and ability to make this investigation and give it to the public. That would do a great deal toward clearing the cloudy and obscure atmosphere of agriculture in the country.

Senator HEFLIN. May I ask Mr. Atkeson one question?

The CHAIRMAN. Yes.

Senator HEFLIN. Since this business pertains to agriculture mainly, do you not think that this commission should be composed of Senators and Members of the House from the agricultural sections, West and South?

Mr. ATKESON. Do you mean the members of the commission?

Senator HEFLIN. Yes.

Mr. ATKESON. That would be entirely satisfactory to me, and I would like to have the privilege of picking the committees from the Senate and House committees. I do not think I would go outside.

Senator HEFLIN. In that way we would get a commission composed of men who know what the conditions are in the agricultural regions?

Mr. ATKESON. Yes.

Senator HEFLIN. And who would have at heart the interests of agriculture in this investigation?

Mr. ATKESON. And they are in possession personally of a good deal of information that a stranger to these problems would have to go to school to learn?

Senator HEFLIN. That is exactly what I mean.

Mr. ATKESON. So far as I am concerned, if five Senators were selected from this committee and five Members of the House from the House committee, so far as I can conceive of the situation at all, it could not be improved, although there might be some reasons for going outside to represent some other interests.

STATEMENT OF MR. R. C. MILLIKEN, STATISTICIAN FOR THE NATIONAL SOCIETY OF RECORD ASSOCIATIONS.

Mr. MILLIKEN. Mr. Chairman, we are pushing the Kenyon-McFadden rural credit and multiple insurance bill, which has been referred to this committee, and we hope it will be kept in this committee. That bill has been before Congress for a little more than seven years, and there never has been a hearing on it.

Mr. BARRETT. Mr. Chairman, is this pertinent to this matter?

The CHAIRMAN. I supposed that that was just introductory to something further that he was going to say.

Mr. MILLIKEN. That is it. I wanted it presented to this committee and not transferred to any commission.

Senator GOODING. But we want to have the whole business investigated.

Mr. BARRETT. Everybody from everywhere favors this bill. Here is California that favors it. Here is Mr. Campbell, of California, and here is Congressman Ketcham, of Michigan. Everybody favors it.

The CHAIRMAN. Let me inquire if there is anyone present who wants to be heard in opposition to the resolution.

Mr. MILLIKEN. We simply do not want our bill transferred to that commission.

The CHAIRMAN. Yes. Well, that has nothing to do with it.

Senator LENROOT. Mr. Chairman, may I say just one word, that I should have said before I sat down?

Some member of the committee—I have forgotten whom—suggested that there would be a presumption that the author of the resolution would be a member of this commission, if created. I desire to state that I do not wish any such presumption to exist in this case. I have introduced the resolution under the circumstances as stated, and I do not wish my name to be considered in any way because of being the author of the resolution. If this commission is created and if this committee shall make recommendations as to the personnel, I shall ask the committee merely to make recommendations

of men whom they consider best qualified to conduct this important investigation.

The CHAIRMAN. Well, we have about 10 minutes remaining, and probably we can dispose of it in that time.

Mr. BARRETT. Mr. McLaughlin, the secretary of the Maryland and Virginia Milk Association, is here, and he wants to say a word. He will only take a few minutes' time.

The CHAIRMAN. All right, Mr. McLaughlin.

STATEMENT OF MR. T. E. McLAUGHLIN, SECRETARY OF THE MARYLAND AND VIRGINIA MILK PRODUCERS' ASSOCIATION.

Mr. McLAUGHLIN. Gentlemen, I just want to assure you, as speaking for the Maryland and Virginia Milk Producers' Association, that we believe that some investigation should be made.

For instance, in 1918, one of our largest milk distributors in Virginia, with a net capital of \$60,000, cleared a net profit of \$170,000 in that one year, after deducting \$50,000 for himself and \$25,000 for two men that he had in his employ.

The CHAIRMAN. What company was that?

Mr. McLAUGHLIN. A local milk distributing company in Washington.

The CHAIRMAN. Do you mean that the manager got a salary of \$50,000 a year?

Mr. McLAUGHLIN. Yes, sir.

The CHAIRMAN. What company was that?

Senator GOODING. That can all come out in the hearings. You are all in favor of this resolution and you can not get any action on that this morning. I do not think we ought to use our time in the discussion of these other matters.

The CHAIRMAN. Well, he could have answered that question while you were making the statement.

Mr. McLAUGHLIN. Mr. Oyster, who just died.

The CHAIRMAN. It is perfectly proper to have it stated.

Mr. McLAUGHLIN. The net value of his estate given at the time of his death was \$87,000. They are a little better off now than they were in 1918.

(Whereupon, upon motion duly seconded, the committee went into executive session.)

MSH 22010

of men whom they consider best qualified to conduct this important investigation.

The CHAIRMAN. Well, we have about 10 minutes remaining, and probably we can dispose of it in that time.

Mr. BARRETT. Mr. McLaughlin, the secretary of the Maryland and Virginia Milk Association, is here, and he wants to say a word. He will only take a few minutes' time.

The CHAIRMAN. All right, Mr. McLaughlin.

STATEMENT OF MR. T. E. McLAUGHLIN, SECRETARY OF THE MARYLAND AND VIRGINIA MILK PRODUCERS' ASSOCIATION.

Mr. McLAUGHLIN. Gentlemen, I just want to assure you, as speaking for the Maryland and Virginia Milk Producers' Association, that we believe that some investigation should be made.

For instance, in 1918, one of our largest milk distributors in Virginia, with a net capital of \$60,000, cleared a net profit of \$170,000 in that one year, after deducting \$50,000 for himself and \$25,000 for two men that he had in his employ.

The CHAIRMAN. What company was that?

Mr. McLAUGHLIN. A local milk distributing company in Washington.

The CHAIRMAN. Do you mean that the manager got a salary of \$50,000 a year?

Mr. McLAUGHLIN. Yes, sir.

The CHAIRMAN. What company was that?

Senator GOODING. That can all come out in the hearings. You are all in favor of this resolution and you can not get any action on that this morning. I do not think we ought to use our time in the discussion of these other matters.

The CHAIRMAN. Well, he could have answered that question while you were making the statement.

Mr. McLAUGHLIN. Mr. Oyster, who just died.

The CHAIRMAN. It is perfectly proper to have it stated.

Mr. McLAUGHLIN. The net value of his estate given at the time of his death was \$87,000. They are a little better off now than they were in 1918.

(Whereupon, upon motion duly seconded, the committee went into executive session.)

1
a.

5
x

MSH 22010

END OF
TITLE